

equivalent: and]. ANY SUCH PERSON SHALL BE ELIGIBLE TO BORROW FOR AT LEAST SIX ACADEMIC YEARS OR THEIR EQUIVALENT. MAXIMUM LOAN AMOUNTS SHALL BE ESTABLISHED BY THE BOARD WITHIN LIMITS ESTABLISHED BY FEDERAL LAW AND REGULATIONS PRESCRIBED BY THE COMMISSIONER, AND

(2) To guarantee the loan of money, upon such terms and conditions as the board may prescribe, within the limitations contained in this article, to persons who are residents of this State and who have been accepted for enrollment or who are in good standing at eligible colleges or vocational schools in this State or elsewhere, to assist them in meeting their expenses of education I; provided, however, that no loan to such a person shall be guaranteed to an amount of more than one thousand five hundred dollars for any academic year and that such loan or loans shall not be guaranteed for more than six academic years or their equivalent]. ANY SUCH PERSON SHALL BE ELIGIBLE TO BORROW FOR AT LEAST SIX ACADEMIC YEARS OR THEIR EQUIVALENT. MAXIMUM LOAN AMOUNTS SHALL BE ESTABLISHED BY THE BOARD WITHIN LIMITS ESTABLISHED BY FEDERAL LAW AND REGULATIONS PRESCRIBED BY THE COMMISSIONER, AND

(3) Students who have been accepted for enrollment or who are in good standing at eligible colleges or vocational schools on a part-time basis shall be eligible for loans hereunder provided that they carry at least one-half the normal full-time academic work load as determined by the college or vocational school. The board may, by rule, establish other minimum qualifications for a person to be deemed a part-time student for the purposes hereof.

(4) The board shall have the power to procure a policy or policies of group life insurance to insure the repayment of loans made or guaranteed by the corporation in the event of the death of an individual to whom a loan is made or guaranteed hereunder.

(5) No collateral security or endorsements shall be required on any loan made or guaranteed by the corporation unless by specific authority of the board.

(6) To pay a service fee of twenty-five dollars (\$25.00) to any lending institution upon the processing, approval and granting of a loan or conversion to a "pay-out" program for an existing loan on behalf of any student who receives a loan for higher education as provided in this article.

[[7.

(a) The terms and conditions of any loan made or guaranteed by the corporation shall not require the borrower thereof to commence the repayment of his loan earlier than nine months or later than one year after he ceases to pursue a full-time or part-time course of study at an eligible college or vocational school; provided, however, that [the board may, by rule, provide that such repayment shall not commence]]] [PERIODIC INSTALLMENTS OF PRINCIPAL NEED NOT BE PAID, BUT INTEREST SHALL ACCRUE AND BE PAID,]] during any period (1) during which the borrower is pursuing a full-time course of study at an institution of higher education or vocational education or at a comparable institution approved by the United States Commissioner of Education; (2) not in excess of three years during which the borrower is a member of the armed forces of the United States; or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act or (4) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964. The board may, by rule, determine whether any such period shall be included in determining the ten-year